

BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

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SEP 20 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARYIn the Matter of)
800 Data Base Access Tariffs)CC Docket No. 93-129

To: The Secretary

DIRECT CASE OF ROSEVILLE TELEPHONE COMPANY

Roseville Telephone Company ("Roseville"), by its attorneys, hereby submits its Direct Case in response to the Commission's Order Designating Issues for Investigation in the 800 Data Base Access Tariff proceeding (CC Docket No. 93-129), DA 93-930, released July 19, 1993 (the "Designation Order"). In that Order, the Commission designated issues to investigate the tariff filings made by numerous LECs introducing a new rate structure for 800 Data Base Query Service ("800 DBQS"). As shown herein, Roseville's rates for 800 DBQS reflect its estimated costs for the provision of that service and accordingly, the Commission should approve its 800 DBQS Tariff.

I. Introduction

In Transmittal No. 25, filed on March 5, 1993, with an effective date of May 1, 1993, Roseville revised its tariff F.C.C. No. 1 to add 800 DBQS. That revision (hereinafter the "800 DBQS Tariff") was made pursuant to the Commission's 800 Data Base Rate Structure Order, CC Docket No. 86-10, FCC 93-53 (released January 29, 1993) (the "800 DBQS Order"). Roseville's provision of 800 DBQS requires it to utilize the services of Intelligent Network

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Services, Inc. ("INS"), a subsidiary of General Telephone ("GTE"). Through use of an STP hub, Roseville is connected to GTE's 800 data base, and Roseville's proposed charges for 800 DBQS, and the cost-support for those charges, were based in part on the charges proposed by INS for its connection of Roseville to the GTE data base.

Subsequent to Roseville's filing of its 800 DBQS Tariff, INS informed Roseville that it was reducing the per-query charge that it would assess on Roseville. Pursuant to the Order of the Chief of the Common Carrier Bureau (DA 93-491, released April 28, 1993), in Transmittal No. 29, filed on May 10, 1993, Roseville revised its rates for 800 DBQS to reflect the flow-through in reductions in the rates charged to Roseville by its query service provider. In addition, that filing modified the Cost Support for Roseville's 800 DBQS.

In the *Designation Order*, the Chief of the Common Carrier Bureau identified various issues for investigation ("Issues") affecting both price-cap and rate-of-return regulated LECs. Separate Appendices were attached to assist the Bureau staff in investigating individual carriers under the differing forms of regulation. Roseville was cited in Appendix B to respond to eleven specific rate-of-return questions contained therein, and its responses are stated in Part II below. In addition, Roseville also comments on Issues stated in Part II of the *Designation Order* (specifically, Roseville addresses the first subissue of Issue 5 in its Response 7 and the second subissue of Issue 5 in its Response

3). Lastly, Roseville also provides the spreadsheet (Attachments 1 and 2) required by the Commission in Appendix B.

II. Information Provided Pursuant to Appendix B

Question 1. For 800 data base service, provide the demand level used in your cost calculations.

Response 1. Roseville used a fourteen-month estimate of 14,350,135 completed queries (for the period May 1, 1993 through June 30, 1994) in its cost calculations. This was developed based on historical data from the period January 1991 to February 1993.

Question 2. If in calculating your costs, you lowered your demand estimate to compensate for unbillable queries, thereby increasing costs, provide the percent by which you lowered demand.

Response 2. Roseville reduced the demand used for costing by five percent from 14,350,135 to 13,632,628 to compensate for unbillable queries. The latter number was used by Roseville in its ratemaking calculations.

Question 3. Explain and justify your rationale for the factor used to decrease demand for your ratemaking calculations.

Response 3. Roseville may be charged for queries made to its Service Control Point ("SCP") provider which may not be identified with any Interexchange Carrier ("IXC") for billing purposes for a number of reasons including:

- 1) The end user may dial an 800 number that is no longer in service;
- 2) The end user may misdial an 800 number with the result that no IXC is identifiable for the number dialed;
- 3) The end user may be originating an 800 call from an area not authorized for service by the 800 customer.

Roseville therefore decreased its ratemaking demand by the conservative percentage of five percent to

recoup from all IXCs the charges relating to queries not identifiable to any specific IXC.

Question 4. Provide the name of the SCP provider for your query service.

Response 4. Roseville's SCP provider is GTE Intelligent Network Services, Inc.

Question 5. Provide the per query rate on which your rates were based.

Response 5. Roseville based its rates on a per-access charge of \$0.005 and a per-query charge of \$0.0054.

Question 6. Did your SCP provider(s) revise rates since your original rate calculations?

Response 6. Roseville's SCP provider revised both its access and query rates since Roseville completed the rate calculations for its March 5, 1993 filing.

Question 7. If your SCP provider(s) revised rates, have you revised your rates to reflect the change in your costs?

Response 7. Roseville's May 10, 1993 filing reflected a decrease in its query rate as a result of the SCP provider's revised query rates. The rates currently approved for Roseville are based on this revision which incorporates the prevailing SCP charges levied by its provider.

Future changes to SCP charges will be reflected in the cost-based rates in Roseville's regular annual filing. Roseville files its interstate access rates annually, except in the case of an FCC-ordered supplement or as a mid-course correction to reflect dramatic changes to Roseville's costs or demand. Since 800 Data Base revenue requirement is a small piece of Roseville's total Interstate revenue requirement, any change in SCP provider charges would not be considered drastic enough to warrant Roseville's revision of its access rates at other than the regular annual filing period.

Question 8. If you use two or more SCP providers and develop a composite query cost, explain how the composite is calculated for inclusion in your rates.

Response 8. Roseville uses one provider for SCP services.

Question 9. If you use a transport provider, provide the name and per query rate assessed by that provider.

Response 9. Roseville is billed on a non-usage-based flat rate basis by both AT&T and MCI for the links with its SCP provider. Roseville's estimates for link costs are shown in Attachment 3.

Question 10. Provide worksheets showing all relevant data and calculations.

Response 10. Attachment 3 shows the relevant data and calculations that support Attachments 1 and 2.

Question 11. Include and justify any other costs incurred to provide 800 service.


Response 11. Roseville included no costs other than those listed in the spreadsheet in its ratemaking calculations for 800 Database queries.

III. Conclusion

Roseville has shown that its rates for 800 DBQS reflect its estimated costs for the provision of that service, including charges from its SCP provider and transport provider. Roseville's 800 DBQS rates are just and reasonable, and accordingly, the Commission should approve its 800 DBQS Tariff.

Respectfully submitted,

ROSEVILLE TELEPHONE COMPANY

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September 20, 1993

INFORMATION REQUEST FOR 800 DATABASE SERVICE COSTS

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Land Acct 2111	Buildings Acct 2121	General Purpose Computers Acct 2124	Analog Switching Acct 2211	Digital Switching Acct 2212	Radio System Acct 2231	Circuit Equipment Acct 2232	Other Terminal Equipment Acct 2362	Poles Acct 2411	Aerial Cable Acct 2421	Underground Cable Acct 2422	Buried Cable Acct 2423	Intrabldg Network Cable Acct 2430	Aerial Wire Acct 2431	Conduit Systems Acct 2441	Total

I. Unit Cost and Investment

STP/SCP Signalling Link

Unit Investment	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
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Unit Costs															
Depreciation	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Net Return	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Federal Income Tax	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
State & Local Income Tax	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Maintenance	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Administration	NONE	NONE	NONE	NONE	a 33,469	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	33,469
Other Tax	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Direct Expense	NONE	NONE	NONE	NONE	b 223,124	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	223,124
Overhead Loadings	NONE	NONE	NONE	NONE	0	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Total	0	0	0	0	256,593	0	0	0	0	0	0	0	0	0	256,593

Local STP/Regional STP Signalling Link

Unit Investment	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
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Unit Costs															
Depreciation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Net Return	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Federal Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
State & Local Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Maintenance	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Administration	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Direct Expense	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Overhead Loadings	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Tandem Switch

Unit Investment	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
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Unit Costs															
Depreciation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Net Return	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Federal Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
State & Local Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Maintenance	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Administration	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Direct Expense	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Overhead Loadings	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

SSP

Unit Investment	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
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Unit Costs															
Depreciation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Net Return	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Federal Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
State & Local Income Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Maintenance	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Administration	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Tax	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Other Direct Expense	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Overhead Loadings	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Note a: Amount reflects 15% of "Other Direct Costs" to recoup Part 36 Customer and Corporate Operations expenses (e.g. administration, billing and collection, general purpose computers and overheads).

Note b: Amount includes \$149,241 of charges for queries booked in Part 36.321 category "Central Office Expenses" and \$ 73,883 accounted for in Part 36.373 "Customer Operations Expense, Services".

INFORMATION REQUEST FOR 800 DATABASE SERVICE COSTS

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Land Acct 2111	Buildings Acct 2121	General Purpose Computers Acct 2124	Analog Switching Acct 2211	Digital Switching Acct 2212	Radio System Acct 2231	Circuit Equipment Acct 2232	Other Terminal Equipment Acct 2362	Poles Acct 2411	Aerial Cable Acct 2421	Underground Cable Acct 2422	Buried Cable Acct 2423	Intrabldg Network Cable Acct 2430	Aerial Wire Acct 2431	Conduit Systems Acct 2441	Total

II. Jurisdictional Separations

STP/SCP Signalling Link

Total Investment																
Total Company	NONE	NONE	NONE	NONE	677,535	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Subject to Separation	NONE	NONE	NONE	NONE	677,535	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State 800 Database	NONE	NONE	NONE	NONE	215,113	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State Other	NONE	NONE	NONE	NONE	93,867	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate 800 Databases	NONE	NONE	NONE	NONE	256,593	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate Other	NONE	NONE	NONE	NONE	111,962	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

Method of Assignment	N/A	N/A	N/A	N/A	Eng. Studies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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Local STP/Regional STP Signalling Link

Total Investment																
Total Company	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Subject to Separation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State 800 Database	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate 800 Databases	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

Method of Assignment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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Tandem Switch

Total Investment																
Total Company	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Subject to Separation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State 800 Database	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate 800 Databases	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

Method of Assignment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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SSP

Total Investment																
Total Company	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Subject to Separation	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State 800 Database	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
State Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate 800 Databases	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Interstate Other	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

Method of Assignment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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A
Total

III. Demand

State 800 Database	12,031,107
State Other	1,464,727
Interstate 800 Database	14,350,135
Interstate Other	1,747,058
Unbillable Query Factor	5.00%

Roseville Telephone Company													
Development of Data Base Query Costs													
					State			Interstate		Total			
					800	Other		800	Other		800	Other	
				Source	Service	Service	Total	Service	Service	Total	Service	Service	Total
Service Control Point Costs													
1	Queries			Co. Records	12031107	1464727	13495834	14350135	1747058	16097193	26381242	3211785	29593027
2	Relative Usage By Categories				89.00%	11.00%	100.00%	89.00%	11.00%	100.00%	89.00%	11.00%	100.00%
3	Percent Jurisdictionalized				45.60%	45.60%	45.60%	54.40%	54.40%	54.40%	100.00%	100.00%	100.00%
4	SCP Per Access Charge			Contract	0.0050	0.0050		0.0050	0.0050				
5	SCP Per Query Charge			Contract	0.0054	0.0455		0.0054	0.0455				
6	Access Charge			(L1 + L4)	60,156	7,324	67,480	71,751	8,735	80,486	131,907	16,059	147,966
7	Query Charge			(L1 + L5)	64,968	66,645	131,613	77,491	79,491	156,982	142,459	146,136	288,595
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8	Total SCP Charges			(L6 + L7)	125,124	73,969	199,093	149,242	88,226	237,468	274,366	162,195	436,561
Transmission Link Costs													
9	Monthly Bill (multiplied by fourteen-month study period)												152600
10	Link Costs Allocated to Categories			(L9 + L2 + L3)	61931.18	7654.416	69585.6	73882.82	9131.584	83014.4	135814	16786	152600

[illegible]